

TOWNSHIP OF PERRY  
(SHIAWASSEE COUNTY)

FINANCIAL STATEMENTS

MARCH 31, 2004

# Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

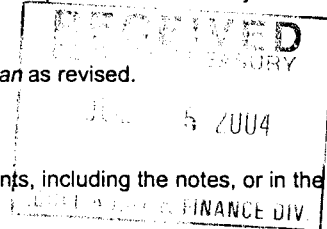
Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name <b>Township of Perry</b>	County <b>Shiawassee</b>
Audit Date <b>3/31/04</b>	Opinion Date <b>5/18/04</b>	Date Accountant Report Submitted to State: <b>7-13-04</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

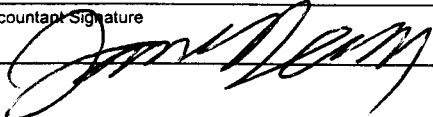


You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

**We have enclosed the following:**

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	✓		
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) <b>Demis &amp; Wenzlick P.C.</b>			
Street Address <b>217 N Washington, Suite 201</b>	City <b>Owosso</b>	State <b>MI</b>	ZIP <b>48867</b>
Accountant Signature 		Date	

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# DEMIS and WENZLICK, P.C.

*Certified Public Accountants*

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Peggy Ryan  
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## INDEPENDENT AUDITOR'S REPORT

Members of the Township Board  
Township of Perry  
Shiawassee County, Michigan

Gentlemen:

We have audited the accompanying general-purpose financial statements of the Township of Perry, Michigan as of and for the year ended March 31, 2004. These financial statements are the responsibility of the Township of Perry, Michigan's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We have conducted our audit in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Perry, Michigan, as of March 31, 2004, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the combined financial statements taken as a whole and on the combining and individual fund financial statements. The accompanying financial information has been subjected to the auditing procedures applied in the examination of the combined, combining, and individual fund financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Our report of comments and recommendations dated May 18, 2004 has been submitted under separate cover.

*Domin and Wengfist, P.C.*

Certified Public Accountants

Owosso, Michigan  
May 18, 2004

TOWNSHIP OF PERRY  
COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS  
AND DISCRETELY REPORTED COMPONENT UNITS  
MARCH 31, 2004

	GOVERNMENT FUND TYPES			PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPE	ACCT. GROUPS	COMPONENT
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	ENTERPRISE	TRUST & AGENCY	GENERAL FIXED ASSETS	UNIT
ASSETS:							
Cash	\$108,545	\$247,387	\$158,771	\$39,202	\$ 8,143	\$	\$47,033
Investments		56,145			8,067		
Accts. Rec.	33,767						
Taxes Rec.	9,730	27,041					15,654
Due from Other Funds	557						
Fixed Assets (Net of Accum Deprec.)						540,495	
TOTAL ASSETS	<u>\$152,599</u>	<u>\$330,573</u>	<u>\$158,771</u>	<u>\$39,202</u>	<u>\$16,210</u>	<u>\$540,495</u>	<u>\$62,687</u>
LIABILITIES:							
Accts. Payable	\$ 7,087	\$ -0-	\$	\$	\$	\$	\$
Accrued Wages							
Due to Other Funds					16,210		
TOTAL LIABILITIES	\$ 7,087	\$ -0-	\$ -0-	\$ -0-	\$16,210	\$ -0-	\$ -0-
FUND EQUITY:							
Investment in Gen. Fixed Assets	\$	\$	\$	\$	\$	\$540,495	\$
Ret. Earnings - Unrestricted				39,202			
Fund Balance - Unrestricted	145,512	330,573	158,771				62,687
TOTAL FUND EQUITY	<u>\$145,512</u>	<u>\$330,573</u>	<u>\$158,771</u>	<u>\$39,202</u>	<u>\$ -0-</u>	<u>\$540,495</u>	<u>\$62,687</u>
TOTAL LIABILITIES & FUND EQUITY	<u>\$152,599</u>	<u>\$330,573</u>	<u>\$158,771</u>	<u>\$39,202</u>	<u>\$16,210</u>	<u>\$540,495</u>	<u>\$62,687</u>

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES AND DISCRETELY  
PRESENTED COMPONENT UNITS  
YEAR ENDED MARCH 31, 2004

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>CAPITAL PROJECTS</u>	<u>COMPONENT UNIT</u>
REVENUES:				
Property Taxes	\$ 93,065	\$ 48,862	\$	\$ 15,653
Special Assmts.				
Emergency Svc.		123,328		
State Shared Rev.	253,094			
Tax Admin. Fees	25,248			
Int. Income	2,502	1,200	710	247
Miscellaneous	<u>28,105</u>	<u>680</u>	<u>-0-</u>	<u>-0-</u>
TOTAL REVENUES	\$402,014	\$174,070	\$ 710	\$ 15,900
EXPENDITURES:				
Twp. Board	\$ 2,349	\$	\$	\$
Supervisor	14,955			
Clerk	15,353			
Board of Review	1,285			
Treasurer	22,022			
Assessor	16,989			
Elections	92			
Hal & Grounds	36,666			
Other General Gov't	89,298	9,911		36,054
Cemetery	29,756			
Ambulance	-0-	45,630		
Roads	151,883	-0-		
Fire Protection	<u>-0-</u>	<u>76,559</u>		
TOTAL EXPENDITURES	\$380,648	\$132,100	\$ -0-	\$ 36,054
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	\$ 21,366	\$ 41,970	\$ 710	\$ (20,154)
OTHER SOURCES (USES) OF FUNDS:				
Transfers In	\$ 9,000	\$ 12,400	\$ 20,000	\$ 5,138
Transfers Out	<u>(32,038)</u>	<u>(14,500)</u>	<u>-0-</u>	<u>-0-</u>
EXCESS OF REVENUES OVER (UNDER) EXPEND. & OTHER SOURCES (USES) OF FUNDS				
	\$ (1,672)	\$ 39,870	\$ 20,710	\$ (15,016)
Fund Balance 4-1-03	<u>147,184</u>	<u>290,703</u>	<u>138,061</u>	<u>77,703</u>
FUND BALANCE AT 3-31-04	<u>\$145,512</u>	<u>\$330,573</u>	<u>\$158,771</u>	<u>\$ 62,687</u>

The accompanying notes are an integral  
part of the financial statements.

**YEAR ENDED MARCH 31, 2004**

\$158,771

TOWNSHIP OF PERRY  
 COMBINED STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 FOR THE YEAR ENDED MARCH 31, 2004

	BALANCE <u>4-01-03</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	BALANCE <u>3-31-04</u>
CURRENT TAX COLLECTION FUND				
ASSETS:				
Cash	\$20,950	\$2,116,436	\$2,129,243	\$ 8,143
Accts. Rec.	<u>-0-</u>	<u>8,067</u>	<u>-0-</u>	<u>8,067</u>
	<u>\$20,950</u>	<u>\$2,124,503</u>	<u>\$2,129,243</u>	<u>\$16,210</u>
LIABILITIES:				
Due to Other Funds	\$20,950	\$ 238,941	\$ 243,681	\$16,210
Due to Other Taxing Entities	<u>-0-</u>	<u>1,885,562</u>	<u>1,885,562</u>	<u>-0-</u>
	<u>\$20,950</u>	<u>\$2,124,503</u>	<u>\$2,129,243</u>	<u>\$16,210</u>

The accompanying notes are an integral part of the financial statements.

TOWNSHIP OF PERRY  
COMBINED BALANCE SHEET - ALL PROPRIETARY FUND TYPES  
MARCH 31, 2004

PROPRIETARY  
FUND TYPES  
ENTERPRISE

ASSETS

CURRENT ASSETS:

Cash \$39,202

LIABILITIES AND FUND EQUITY

Accounts Payable \$ -0-

Retained Earnings 39,202  
\$39,202

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
 COMBINED STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN RETAINED EARNINGS  
 ALL PROPRIETARY FUND TYPES  
 YEAR ENDED MARCH 31, 2004

	PROPRIETARY FUND TYPES <u>ENTERPRISE</u>
REVENUES:	
Charges for Services	\$ 3,350
OPERATING EXPENSES:	
Operation & Maintenance	\$ 1,568
Utilities	99
Other	<u>225</u>
TOTAL OPERATING EXPENSES	\$ <u>1,892</u>
OPERATING LOSS	\$ 1,458
NON-OPERATING REVENUES (EXPENSES):	
Interest Income	\$ <u>177</u>
TOTAL	\$ <u>177</u>
NET LOSS	\$ 1,635
Retained Earnings April 1, 2003	<u>37,567</u>
RETAINED EARNINGS MARCH 31, 2004	\$ <u><u>39,202</u></u>

The accompanying notes are an integral  
 part of the financial statements.

TOWNSHIP OF PERRY  
COMBINED BALANCE SHEET - COMPONENT UNIT  
MARCH 31, 2004

TWP. OF PERRY  
DEVELOPMENT  
AUTHORITY

ASSETS

CURRENT ASSETS:

Cash	\$47,033
Due from Other Funds	<u>15,654</u>
	<u>\$62,687</u>

LIABILITIES AND FUND EQUITY

Accounts Payable	\$ -0-
	<u>\$ -0-</u>
Fund Balance	<u>62,687</u>
	<u>\$62,687</u>

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL COMPONENT UNITS  
YEAR ENDED MARCH 31, 2004

	TWP OF PERRY DEVELOPMENT <u>AUTHORITY</u>
REVENUES:	
Current Property Taxes	\$ 15,653
Interest	<u>247</u>
TOTAL REVENUES	\$ 15,900
EXPENDITURES:	
Attorney Fees	\$ -0-
Other	3,059
Capital Outlay	12,000
Contracted Services	20,133
Engineering	<u>862</u>
TOTAL EXPENDITURES	\$ <u>36,054</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$(20,154)
OTHER SOURCES OF FUNDS:	
Transfers In	<u>5,138</u>
TOTAL SOURCES OF FUNDS	\$ 5,138
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER USES OF FUNDS	\$(15,016)
Fund Balance at April 1, 2003	<u>77,703</u>
FUND BALANCE AT MARCH 31, 2004	\$ <u>62,687</u>

The accompanying notes are an integral part of the financial statements.

TOWNSHIP OF PERRY  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2004

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Township of Perry conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

COMPONENT UNITS

The accompanying financial statements present the Township's primary government and component units over which the Township exercises significant influence. Significant influence was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligation of the Township to finance any deficits that may occur or receipt of significant subsidies from the Township Component Units that do not meet the criteria for blending are reported discretely.

DISCRETELY REPORTED  
COMPONENT UNITS

BRIEF DESCRIPTION OF ACTIVITIES  
AND RELATIONSHIP TO THE TOWNSHIP

Township of Perry  
Development Authority

Used for the administration of the Development Authority and planning of improvements in the downtown district.

Board members are appointed by the Township Council. The Development Authority is fiscally dependent upon the Township because the Township's Council approves the development authority's budget, levies taxes and must approve any debt issuance. The Development Authority is presented as a governmental fund type.

FUND ACCOUNTING

The accounts of the township are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into generic fund types and broad fund categories as follows:

TOWNSHIP OF PERRY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED MARCH 31, 2004

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT FUNDS

General Fund - The General Fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The township maintains a capital project fund to account for money set aside by the township for future improvements of the township. The township deposits a portion of interest earned on investments of this fund directly to the General fund and is shown as interest income of that fund.

PROPRIETARY FUNDS

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

FIDUCIARY FUNDS

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organization, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

TOWNSHIP OF PERRY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED MARCH 31, 2004

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIXED ASSETS

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Group, rather than in governmental funds. Public Domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are not capitalized with general fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

TOWNSHIP OF PERRY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED MARCH 31, 2004

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF ACCOUNTING (CONTINUED)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include (1) accumulated unpaid vacation, sick pay and other employee amounts which are not accrued; and (2) principal and interest on general long-term debt which is recognized when due.

BUDGETS AND BUDGETARY ACCOUNTING

The Township follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to the beginning of the fiscal year, the clerk submits to the Township Board a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted in the Township to obtain taxpayer comments.
3. Prior to April 1, the budget is legally enacted through board approval.
4. The clerk is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter total expenditures of any fund must be approved by the Township Board.
5. The Township had amended the budget during the year.

CASH AND INVESTMENTS

Cash includes amounts in demand deposits. State statutes authorize the township to invest in obligations of the U.S. Treasury, Commercial Paper, corporate bonds and repurchase agreements.

Investments are stated at fair market value.

TOWNSHIP OF PERRY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED MARCH 31, 2004

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, transactions occur between funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances accounting-under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the government fund types. Encumbrances outstanding at year end are reported as a reservation of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. There were no significant encumbrances at year end.

COMPENSATED ABSENCES

The township does not pay sick or vacation time for its employees.

POST EMPLOYMENT HEALTH-CARE BENEFITS COBRA BENEFITS

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA) the township makes health care benefits available to former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. There are no participants in this program as of March 31, 2004.

RETIREE BENEFITS

The township does not have health insurance coverage for its employees; therefore, there are no post-employment health care benefits.

INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenue or expenditures. Transactions that constitute reimbursement to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund as a reduction of expenditures in the fund that is reimbursed.

USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

TOWNSHIP OF PERRY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED MARCH 31, 2004

NOTE B - REPORTING ENTITY

For financial reporting purposes, in conformance with NCGA Statement No. 3, Defining the Governmental Reporting Entity, the Township of Perry includes all funds, account groups, agencies, boards, commissions and authorities that are controlled by or dependent on the Township's executive or legislative branches (the Township Supervisor or the Board, respectively). Control by or dependence on the Township was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the township obligations of the township to finance any deficits that may occur or receipt of significant subsidies from the township.

NOTE C - PROPERTY TAX

Taxes levied on December 1, are payable on February 14. The township bills and collects its own property taxes and also taxes for the county and local school districts. Collections of the county and school taxes and remittances of them are accounted for in the current school taxes and remittances of them are accounted for in the current tax collection fund. Township property taxes are recognized when levied to the extent that they result in current receivables.

The township is permitted by the Municipal Finance Law of the state to levy taxes up to 1.0 mill for general governmental services. .925 mill is levied for general services \$30 per household is levied for ambulance service and .989 mill is levied for fire protection.

The delinquent real property taxes of the township normally are purchased by the County of Shiawassee. The county sells tax notes, the proceeds of which are used to pay the Township for these delinquent taxes. These delinquent taxes have been recorded as revenue for the current year.

NOTE D - CHANGES IN GENERAL FIXED ASSETS

A schedule of changes in fixed assets is included in the individual financial statement section.

NOTE E - EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

P.A. 621 of 1978, section 18 (1) as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a activity basis. The approved budgets of the township for these budgetary funds were adopted to the line item.

TOWNSHIP OF PERRY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED MARCH 31, 2004

NOTE E - EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS  
(CONTINUED)

During the year ended March 31, 2004, the Township did incur expenditures in excess of the amounts appropriated as follows:

	<u>APPROPRIATED</u>	<u>ACTUAL</u>	<u>ACTUAL OVER APPROPRIATED</u>
General Fund:			
Supervisor-Salaries	\$ 11,425	\$ 12,360	\$ 935
-Other	1,294	1,439	145
Clerk Salaries	13,380	14,430	1,050
Treasurer Salaries	13,380	14,430	1,050
Assessor Salaries	12,000	13,000	1,000
Hall & Grounds-Repairs	16,975	17,016	41
-Capital			
Outlay	800	855	55
General Gov't-Contributions	7,000	8,275	1,275
-Attorney	5,000	7,992	2,992
Emergency Services Fund:			
Contracted Services	100,000	122,189	22,189
Other	-0-	316	316
Cemetery Fund:			
Realized Losson Investment	-0-	275	275
Unrealized Losson Investment	-0-	2,855	2,855
Street Lights Fund:			
Other	6,200	6,465	265
Sewer Maintenance Fund:			
Miscellaneous	-0-	225	225
Development Authority:			
Contracted Services	20,000	32,133	12,133

TOWNSHIP OF PERRY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED MARCH 31, 2004

NOTE F - CASH AND CERTIFICATES OF DEPOSIT

The township deposits consist of various interest bearing savings and checking accounts and certificates of deposits. At year end the carrying amount of the township's deposits was \$665,226. Michigan law does not require collateralization of government deposits, therefore, only the \$256,145 was insured and \$409,081 was neither insured nor collateralized.

The township's deposits at March 31, 2004 consisted of cash and certificates of deposit at three financial institutions:

<u>INSTITUTION A</u>	<u>AMOUNT</u>	<u>FDIC INSURED</u>	<u>UNINSURED</u>
Cash	\$391,849	\$100,000	\$291,849
<u>INSTITUTION B</u>			
Cash	\$217,232	\$100,000	\$117,232
<u>INSTITUTION C</u>			
Cash	\$ 5,475	\$ 5,475	\$ -0-
Treasury Bonds	50,670	50,670	-0-

NOTE G - PENSION

The township maintains a pension plan of 15% contribution for elected officials. The township contributed \$11,483 during the year ended March 31, 2004.

NOTE H - INTERFUND RECEIVABLES AND PAYABLES

The amounts of interfund receivables and payables are as follows:

<u>FUND</u>	<u>INTERFUND RECEIVABLE</u>	<u>FUND</u>	<u>INTERFUND PAYABLE</u>
General	\$ 557	Tax Fund	\$ 16,210
DDA	\$ 15,653		

TOWNSHIP OF PERRY  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED MARCH 31, 2004

NOTE I - INTERFUND OPERATING TRANSFERS

The amount of interfund operating transfers are as follows:

<u>FUND</u>	<u>TRANSFERS IN</u>	<u>FUND</u>	<u>TRANSFERS OUT</u>
Capital Projects	\$20,000	General	\$32,038
General	\$ 9,000		
Roads	\$ 5,500	Roads	\$ 9,000
Emergency Services	\$ 6,900	Paving	\$ 5,500
Development	\$ 5,138		

FINANCIAL STATEMENTS

OF

INDIVIDUAL FUNDS

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

TOWNSHIP OF PERRY  
BALANCE SHEET  
MARCH 31, 2004

GENERAL FUND

ASSETS

ASSETS

Cash in Bank	\$108,545
Accounts Receivable	33,767
Taxes Receivable	9,730
Due from Other Funds	<u>557</u>
TOTAL ASSETS	<u>\$152,599</u>

LIABILITIES:

Accounts Payable	\$ <u>7,087</u>
	\$ 7,087

GENERAL FUND BALANCE	<u>145,512</u>
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TOTAL LIABILITIES AND GENERAL FUND BALANCE	<u>\$152,599</u>
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The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED MARCH 31, 2004

GENERAL FUND  
2004

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
REVENUES:			
Property Taxes	\$ 63,000	\$ 71,820	\$ (8,820)
Tax Agreement	6,200	18,752	(12,552)
Trailer Tax	2,000	2,493	(493)
Miscellaneous	5,950	1,672	4,278
State Shared Rev.	220,000	253,094	(33,094)
Tax Admin. Fees	15,000	25,248	(10,248)
Interest Income	4,530	2,502	2,028
Rent Income	10,000	8,125	1,875
Cemetery	12,000	11,820	180
Cable TV	6,000	6,488	(488)
Tax Collection Fee	3,400	-0-	3,400
Licenses	<u>100</u>	<u>-0-</u>	<u>100</u>
TOTAL REVENUES	\$348,180	\$402,014	\$ (53,834)
EXPENDITURES:			
Twp. Board:			
Salaries	\$ 3,000	\$ 1,920	\$ 1,080
Other	<u>1,100</u>	<u>429</u>	<u>671</u>
TOTAL TWP. BOARD	\$ 4,100	\$ 2,349	\$ 1,751
Supervisor:			
Salaries	\$ 11,425	\$ 12,360	\$ (935)
Supplies	275	251	24
Mileage	906	905	1
Other	<u>1,294</u>	<u>1,439</u>	<u>(145)</u>
TOTAL SUPERVISOR	\$ 13,900	\$ 14,955	\$ (1,055)
Clerk:			
Salaries	\$ 13,380	\$ 14,430	\$ (1,050)
Deputy Clerk	3,000	62	2,938
Office Supplies	1,000	304	696
Mileage	500	344	156
Other	<u>1,000</u>	<u>213</u>	<u>787</u>
TOTAL CLERK	\$ 18,880	\$ 15,353	\$ 3,527

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
STATEMENT OF REVENUE, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED MARCH 31, 2004

GENERAL FUND  
2004

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
EXPENDITURES:			
Board of Review:			
Salaries	\$ 1,600	\$ 970	\$ 630
Supplies	200	45	155
Other	<u>450</u>	<u>270</u>	<u>180</u>
TOTAL BOARD OF REVIEW	\$ 2,250	\$ 1,285	\$ 965
Treasurer:			
Salaries	\$ 13,380	\$ 14,430	\$ (1,050)
Deputy Treasurer	3,000	2,422	578
Other	700	640	60
Mileage	500	264	236
Printing & Publishing	4,000	3,816	184
Supplies	1,200	450	750
Capital Outlay	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL TREASURER	\$ 22,780	\$ 22,022	\$ 758
Assessor:			
Salaries	\$ 12,000	\$ 13,000	\$ (1,000)
Deputy Assessor	400	400	-0-
Supplies	2,475	2,389	86
Other	<u>1,700</u>	<u>1,200</u>	<u>500</u>
TOTAL ASSESSOR	\$ 16,575	\$ 16,989	\$ (414)
Elections:			
Salaries	\$ 2,000	\$ -0-	\$ 2,000
Printing	700	-0-	700
Supplies	2,000	92	1,908
Other	<u>700</u>	<u>-0-</u>	<u>700</u>
TOTAL ELECTIONS	\$ 5,400	\$ 92	\$ 5,308

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED MARCH 31, 2004

GENERAL FUND  
2004

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
EXPENDITURES:			
Hall & Grounds:			
Salaries	\$ 10,000	\$ 7,842	\$ 2,158
Contracted Serv.	5,000	2,157	2,343
Utilities	7,000	5,029	1,971
Repairs & Maint.	16,975	17,016	(41)
Telephone	3,000	2,571	429
Supplies	3,000	1,142	1,858
Capital Outlay	800	855	(55)
Other	<u>5,200</u>	<u>54</u>	<u>5,146</u>
TOTAL HALL & GROUNDS	\$ 50,975	\$ 36,666	\$ 14,309
Other General Gov't:			
Salaries	\$ 6,100	\$ 5,114	\$ 986
Audit	3,500	3,000	500
Insurance	8,000	6,720	1,280
Repairs & Maint.	5,000	95	4,905
Emergency Serv.	12,900	1,155	11,745
Engineering	20,000	20,000	-0-
Planning Comm.	6,800	2,947	3,853
Contributions	7,000	8,275	(1,275)
Dues & Subs.	3,500	2,730	770
Attorney	5,000	7,992	(2,992)
Publishing	3,500	1,330	2,170
Supplies	10,000	9,760	240
Capital Outlay	11,000	6,808	4,192
Pension	17,000	11,483	5,517
Other	10,525	-0-	10,525
Drains at Large	<u>2,000</u>	<u>1,889</u>	<u>111</u>
TOTAL OTHER GENERAL GOV'T	\$131,825	\$ 89,298	\$ 42,527

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED MARCH 31, 2004

GENERAL FUND  
2004

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
EXPENDITURES:			
Cemetery:			
Salaries	\$ 14,000	\$ 9,758	\$ 4,242
Supplies	1,087	1,039	48
Repairs & Maint.	6,323	6,272	51
Opening & Closing	13,000	9,610	3,390
Utilities	1,500	973	527
Capital Outlay	<u>3,600</u>	<u>2,104</u>	<u>1,496</u>
TOTAL CEMETERY	\$ 39,510	\$ 29,756	\$ 9,754
Roads	<u>151,955</u>	<u>151,883</u>	<u>72</u>
TOTAL EXPENDITURES	\$ 458,150	\$380,648	\$ 77,502
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (109,970)	\$ 21,366	\$ (131,336)
OTHER SOURCES (USES) OF FUNDS:			
Transfers In	\$ 75,000	\$ 9,000	\$ 66,000
Transfers Out	<u>-0-</u>	<u>(32,038)</u>	<u>(32,038)</u>
	\$ 75,000	\$ (23,038)	\$ 98,038
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ <u>(34,970)</u>	(1,672)	\$ <u>(33,298)</u>
Fund Balance April 1, 2003		<u>147,184</u>	
FUND BALANCE MARCH 31, 2004		<u>\$145,512</u>	

The accompanying notes are an integral  
part of the financial statements.

SPECIAL REVENUE FUNDS

EMERGENCY SERVICES FUND

Emergency Fund is used to account for fees received and monies disbursed for Township fire and ambulance protection.

CEMETERY PERPETUAL CARE FUND

Cemetery Fund is used to account for monies received and disbursed for the maintenance of the Township's cemetery.

ROAD FUND

Road Fund is used to account for monies received and disbursed for the maintenance of the Township's roads.

STREET LIGHTS FUND

Street Lights Fund is used to account for monies received and disbursed for maintenance of Township Street Lights.

PAVING FUND

Paving Fund is used to account for monies received and disbursed for paving.

TOWNSHIP OF PERRY  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
MARCH 31, 2004

						<u>2004</u>
	<u>EMERGENCY</u> <u>SERVICES</u>	<u>CEMETERY</u> <u>PERPETUAL</u> <u>CARE</u>	<u>ROADS</u>	<u>STREET</u> <u>LIGHTS</u>	<u>PAVING</u>	<u>TOTALS</u>
ASSETS:						
Cash in Bank	\$ 97,887	\$ 4,379	\$135,848	\$8,001	\$ 1,272	\$247,387
Investment		56,145				56,145
Taxes Rec.	<u>11,147</u>	<u>          </u>	<u>3,928</u>	<u>505</u>	<u>11,461</u>	<u>27,041</u>
	<u>\$109,034</u>	<u>\$60,524</u>	<u>\$139,776</u>	<u>\$8,506</u>	<u>\$12,733</u>	<u>\$330,573</u>
LIABILITIES:						
Accts. Payable	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
FUND BALANCE:						
Fund Balance	<u>109,034</u>	<u>60,524</u>	<u>139,776</u>	<u>8,506</u>	<u>12,733</u>	<u>330,573</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$109,034</u>	<u>\$60,524</u>	<u>\$139,776</u>	<u>\$8,506</u>	<u>\$12,733</u>	<u>\$330,573</u>

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
YEAR ENDED MARCH 31, 2004

						2004
	<u>EMERGENCY</u>	<u>CEMETERY PERPETUAL CARE</u>	<u>ROADS</u>	<u>STREET LIGHTS</u>	<u>PAVING</u>	<u>TOTALS</u>
REVENUES:						
Perpetual Care	\$ -0-	\$ 680	\$ -0-	\$ -0-	\$ -0-	\$ 680
Prop. Taxes & Assmts.	123,328	-0-	38,223	6,390	4,249	172,190
Int. Income	<u>-0-</u>	<u>22</u>	<u>464</u>	<u>-0-</u>	<u>714</u>	<u>1,200</u>
TOTAL REVENUES	\$123,328	\$ 702	\$ 38,687	\$6,390	\$ 4,963	\$174,070
EXPENDITURES:						
Road Comm.	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Ambulance or Fire Protect.	122,189	-0-	-0-	-0-	-0-	122,189
Other	<u>316</u>	<u>3,130</u>	<u>-0-</u>	<u>6,465</u>	<u>-0-</u>	<u>9,911</u>
TOTAL EXPEND.	\$122,505	\$ 3,130	\$ -0-	\$6,465	\$ -0-	\$132,100
EXCESS OF REVENUES OVER (UNDER) EXPEND.						
	\$ 823	\$ (2,428)	\$ 38,687	\$ (75)	\$ 4,963	\$ 41,970
OTHER SOURCES (USES) OF FUNDS:						
Transfers In	\$ 6,900	\$ -0-	\$ 5,500	\$ -0-	\$ -0-	\$ 12,400
Transfers Out	<u>-0-</u>	<u>-0-</u>	<u>(9,000)</u>	<u>-0-</u>	<u>(5,500)</u>	<u>(14,500)</u>
	\$ <u>6,900</u>	\$ <u>-0-</u>	\$ <u>(3,500)</u>	\$ <u>-0-</u>	\$ <u>(5,500)</u>	\$ <u>(2,100)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS						
	\$ 7,723	\$ (2,428)	\$ 35,187	\$ (75)	\$ (537)	\$ 39,870
Fund Balance						
4-1-03	<u>101,311</u>	<u>62,952</u>	<u>104,589</u>	<u>8,581</u>	<u>13,270</u>	<u>290,703</u>
FUND BALANCE						
3-31-04	<u>\$109,034</u>	<u>\$60,524</u>	<u>\$139,776</u>	<u>\$8,506</u>	<u>\$ 12,733</u>	<u>\$330,573</u>

The accompanying notes are an integral part of the financial statements.

TOWNSHIP OF PERRY  
BALANCE SHEET  
MARCH 31, 2004

EMERGENCY SERVICES FUND

2004

ASSETS:

Cash in Bank	\$ 97,887
Taxes Receivable	<u>11,147</u>
TOTAL ASSETS	<u>\$109,034</u>

LIABILITIES:

Accounts Payable	\$ -0-
FUND BALANCE	<u>109,034</u>

TOTAL LIABILITIES AND FUND BALANCE	<u>\$109,034</u>
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The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED MARCH 31, 2004

EMERGENCY SERVICES FUND  
2004

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
REVENUES:			
Property Taxes	\$ 9,500	\$123,328	\$(113,828)
Interest Earned	-0-	-0-	-0-
Other Income	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL REVENUES	\$ 9,500	\$123,328	\$(113,828)
EXPENDITURES:			
Ambulance & Fire Protection:			
Contracted Services	\$100,000	\$122,189	\$ (22,189)
Other	<u>-0-</u>	<u>316</u>	<u>(316)</u>
TOTAL EXPENDITURES	\$100,000	\$122,505	\$ (22,505)
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	\$(90,500)	\$ 823	\$ (91,323)
OTHER SOURCES (USES) OF FUNDS:			
Transfer In	\$ -0-	\$ 6,900	\$ (6,900)
Transfer Out	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS			
	\$ <u>(90,500)</u>	\$ 7,723	\$ <u>(98,223)</u>
Fund Balance April 1, 2003		<u>101,311</u>	
FUND BALANCE MARCH 31, 2004		<u>\$109,034</u>	

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
BALANCE SHEET  
MARCH 31, 2004

CEMETERY PERPETUAL CARE FUND

2004

ASSETS:

Cash in Bank	\$ 4,379
Certificate of Deposit	<u>56,145</u>
TOTAL ASSETS	<u>\$60,524</u>

CEMETERY PERPETUAL CARE FUND BALANCE	<u>\$60,524</u>
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The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED MARCH 31, 2004

CEMETERY PERPETUAL CARE FUND  
2004

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
REVENUES:			
Perpetual Care	\$ 400	\$ 680	\$ (280)
Interest Income	<u>36</u>	<u>22</u>	<u>14</u>
TOTAL REVENUES	\$ 436	\$ 702	\$ (266)
EXPENDITURES:			
Realized Loss on Investments	\$	\$ 275	\$ (275)
Unrealized Loss on Investments	<u>      </u>	<u>2,855</u>	<u>(2,855)</u>
TOTAL EXPENDITURES	\$ <u>-0-</u>	\$ <u>3,130</u>	\$ <u>(3,130)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 436	\$ (2,428)	\$ 2,864
OTHER SOURCES (USES) OF FUNDS:			
Transfer In	\$ -0-	\$ -0-	\$ -0-
Transfer Out	<u>35</u>	<u>-0-</u>	<u>35</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	\$ <u>401</u>	\$ (2,428)	\$ <u>2,829</u>
Fund Balance April 1, 2003		<u>62,952</u>	
FUND BALANCE MARCH 31, 2004		<u>\$60,524</u>	

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
BALANCE SHEET  
MARCH 31, 2004

ROAD FUND

	<u>2004</u>
ASSETS:	
Cash in Bank	\$135,848
Taxes Receivable	<u>3,928</u>
TOTAL ASSETS	<u>\$139,776</u>
LIABILITIES:	
Accounts Payable	\$ -0-
FUND BALANCE	<u>139,776</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$139,776</u>

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
YEAR ENDED MARCH 31, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
<b>ROAD FUND</b>			
<b><u>2004</u></b>			
<b>REVENUES:</b>			
Property Taxes	\$ 35,600	\$ 38,223	\$ (2,623)
Interest Earned	<u>1,100</u>	<u>464</u>	<u>636</u>
TOTAL REVENUES	\$ 36,700	\$ 38,687	\$ (1,987)
<b>EXPENDITURES:</b>			
Road Maintenance	\$ 45,000	\$ -0-	\$ 45,000
Other	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL EXPENDITURES	\$ 45,000	\$ -0-	\$ 45,000
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>			
	\$ (8,300)	\$ 38,687	\$ 46,987
<b>OTHER SOURCES (USES) OF FUNDS:</b>			
Transfer In	\$ -0-	\$ 5,500	\$ (5,500)
Transfer Out	<u>-0-</u>	<u>(9,000)</u>	<u>(9,000)</u>
	\$ -0-	\$ (3,500)	\$ 3,500
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS</b>			
	\$ <u>(8,300)</u>	\$ 35,187	\$ <u>43,487</u>
Fund Balance April 1, 2003		<u>104,589</u>	
FUND BALANCE MARCH 31, 2004		<u>\$139,776</u>	

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
BALANCE SHEET  
MARCH 31, 2004

STREET LIGHTS FUND

	<u>2004</u>
ASSETS:	
Cash in Bank	\$8,001
Taxes Receivable	<u>505</u>
TOTAL ASSETS	<u>\$8,506</u>
LIABILITIES:	
Accounts Payable	\$ -0-
FUND BALANCE	<u>8,506</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$8,506</u>

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED MARCH 31, 2004

STREET LIGHTS FUND  
2004

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
REVENUES:			
Property Taxes	\$ 270	\$ 6,390	\$(6,120)
Interest Earned	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL REVENUES	\$ 270	\$ 6,390	\$(6,120)
EXPENDITURES:			
Other	\$ <u>6,200</u>	\$ <u>6,465</u>	\$ <u>(265)</u>
TOTAL EXPENDITURES	\$ 6,200	\$ 6,465	\$ (265)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			
	\$(5,930)	\$ (75)	\$(5,855)
OTHER SOURCES (USES) OF FUNDS:			
Transfer In	\$ -0-	\$ -0-	\$ -0-
Transfer Out	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	\$ -0-	\$ -0-	\$ -0-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS			
	\$ ( <u>5,930</u> )	\$ (75)	\$ ( <u>5,855</u> )
Fund Balance April 1, 2003		<u>8,581</u>	
FUND BALANCE MARCH 31, 2004		\$ <u>8,506</u>	

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
BALANCE SHEET  
MARCH 31, 2004

PAVING FUND

	<u>2004</u>
ASSETS:	
Cash in Bank	\$ 1,272
Taxes Receivable	<u>11,461</u>
TOTAL ASSETS	<u>\$12,733</u>
LIABILITIES:	
Accounts Payable	\$ -0-
FUND BALANCE	<u>12,733</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$12,733</u>

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED MARCH 31, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
PAVING FUND <u>2004</u>			
REVENUES:			
Property Taxes	\$ -0-	\$ 4,249	\$ (4,249)
Interest Earned	<u>-0-</u>	<u>714</u>	<u>(714)</u>
TOTAL REVENUES	\$ -0-	\$ 4,963	\$ (4,963)
EXPENDITURES:			
Road Maintenance	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>
TOTAL EXPENDITURES	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			
	\$ -0-	\$ 4,963	\$ (4,963)
OTHER SOURCES (USES) OF FUNDS:			
Transfer In	\$ -0-	\$ -0-	\$ -0-
Transfer Out	<u>-0-</u>	<u>5,500</u>	<u>(5,500)</u>
	\$ <u>-0-</u>	\$ <u>5,500</u>	\$ <u>(5,500)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS			
	\$ <u>-0-</u>	\$ (537)	\$ <u>537</u>
Fund Balance April 1, 2003		<u>13,270</u>	
FUND BALANCE MARCH 31, 2004		<u>\$12,733</u>	

The accompanying notes are an integral  
part of the financial statements.

CAPITAL PROJECTS FUND

IMPROVEMENT FUND

The Improvement Fund is used to account  
for money set aside by the Township Board  
for future improvements within the Township.

TOWNSHIP OF PERRY  
CAPITAL PROJECTS FUND  
COMBINING BALANCE SHEET  
MARCH 31, 2004

	<u>2004</u>
ASSETS:	
Cash	<u>\$158,771</u>
TOTAL ASSETS	<u>\$158,771</u>
LIABILITIES	\$ <u>-0-</u>
TOTAL LIABILITIES	\$ <u>-0-</u>
FUND BALANCE	<u>158,771</u>
TOTAL LIABILITIES AND CAPITAL FUND BALANCE	<u>\$158,771</u>

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
CAPITAL PROJECT FUND  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEAR ENDED MARCH 31, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
REVENUES:			
Interest Earned	\$ <u>300</u>	\$ <u>710</u>	\$ <u>(410)</u>
TOTAL REVENUES	\$ 300	\$ 710	\$ (410)
EXPENDITURES:			
Capital Outlay	\$ <u>12,000</u>	\$ <u>-0-</u>	\$ <u>12,000</u>
TOTAL EXPENDITURES	\$ <u>12,000</u>	\$ <u>-0-</u>	\$ <u>12,000</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (11,700)	\$ 710	\$ 12,410
OTHER SOURCES (USES) OF FUNDS:			
Transfers In	\$ 50,000	\$ 20,000	\$ 30,000
Transfers Out	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	\$ 50,000	\$ 20,000	\$ 30,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES) OF FUNDS	\$ <u>38,300</u>	\$ 20,710	\$ <u>17,590</u>
Fund Balance April 1, 2003		<u>138,061</u>	
FUND BALANCE MARCH 31, 2004		<u>\$158,771</u>	

The accompanying notes are an integral  
part of the financial statements.

FIDUCIARY FUND

CURRENT TAX COLLECTION FUND

Current Tax Collection Fund is used to receive the Township's current tax collections and to distribute such monies to the Township funds involved therein, and to other governmental agencies.

TOWNSHIP OF PERRY  
CURRENT TAX COLLECTION FUND  
BALANCE SHEET  
MARCH 31, 2004

	<u>2004</u>
ASSETS:	
Cash in Bank	\$ 8,143
Accounts Receivable	<u>8,067</u>
TOTAL ASSETS	<u>\$16,210</u>
LIABILITIES:	
Due to Other Funds	\$16,210
Due to Other Governmental Units	<u>-0-</u>
TOTAL LIABILITIES	\$16,210
FUND BALANCE	
	<u>-0-</u>
	<u>\$16,210</u>

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
CURRENT TAX COLLECTION FUND  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
YEAR ENDED MARCH 31, 2004

2004

BALANCE APRIL 1, \$ 20,950

RECEIPTS:

Current Property Taxes	\$2,058,043
Collection Fees and Late Charges	20,325
Other Current Taxes	14,961
Dog Licenses	695
Interest Earned	338
Delinquent Taxes	1,037
Overpayments	<u>21,037</u>
TOTAL RECEIPTS AND BEGINNING BALANCE	\$2,137,386

DISBURSEMENTS:

Morrice	\$ 141,594
Interest	889
Shiawassee County	1,156,019
Road Fund	34,298
Lights Fund	5,885
Perry Schools	453,653
Morrice Schools	92,756
Paving Fund	4,117
General Fund	87,196
Ambulance Fund	43,575
Fire Fund	68,610
Refunds	21,037
Downtown Development Fund	<u>19,614</u>
TOTAL DISBURSEMENTS	\$2,129,243

BALANCE MARCH 31, \$ 8,143

The accompanying notes are an integral  
part of the financial statements.

GENERAL FIXED ASSET ACCOUNT GROUP

To account for fixed assets of  
the Township.

TOWNSHIP OF PERRY  
GENERAL FIXED ASSETS GROUP OF ACCOUNTS  
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS  
MARCH 31, 2004

	BALANCE <u>3-31-03</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	BALANCE <u>3-31-04</u>
Twp. Hall	\$284,745	\$ 6,433	\$ -0-	\$291,178
Emergency Svc.				
Bldg.	104,250	-0-	-0-	104,250
Fixt. & Furn.	100,179	18,026	-0-	118,205
Cemetery Equip.	<u>25,273</u>	<u>1,589</u>	<u>-0-</u>	<u>26,862</u>
	<u>\$514,447</u>	<u>\$26,048</u>	<u>\$ -0-</u>	<u>\$540,495</u>

The accompanying notes are an integral  
part of the financial statements.

ENTERPRISE FUND

Sewer Maintenance - To account for the maintenance of sewer services to the residents of the Township. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration operations, maintenance, financing and related debt service, and billing and collection.

TOWNSHIP OF PERRY  
SEWER MAINTENANCE FUND  
BALANCE SHEET  
MARCH 31, 2004

ASSETS

2004

ASSETS:

Cash	<u>\$39,202</u>
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LIABILITIES AND FUND EQUITY:

Retained Earnings	<u>\$39,202</u>
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The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
SEWER MAINTENANCE FUND  
STATEMENT OF REVENUES, EXPENSES  
AND RETAINED EARNINGS - BUDGET AND ACTUAL  
YEAR ENDED MARCH 31, 2004

	<u>2004</u>		
	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
OPERATING REVENUES:			
Charges for Services	\$ 3,000	\$ 3,300	\$ (300)
Interest Income	300	177	123
Miscellaneous	<u>-0-</u>	<u>50</u>	<u>(50)</u>
	\$ 3,300	\$ 3,527	\$ (227)
OPERATING EXPENSES:			
Operations Payment	\$ 1,600	\$ 1,568	\$ 32
Repairs & Maintenance	300	-0-	300
Utilities	100	99	1
Miscellaneous	<u>-0-</u>	<u>225</u>	<u>(225)</u>
TOTAL EXPENSES	\$ <u>2,000</u>	\$ <u>1,892</u>	\$ <u>108</u>
OPERATING INCOME (LOSS)	\$ 1,300	\$ 1,635	\$ (335)
OTHER FINANCING USES:			
Transfers In	\$ -0-	\$ -0-	\$ -0-
Transfers Out	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
NET INCOME (LOSS)	\$ <u>1,300</u>	\$ 1,635	\$ <u>(335)</u>
Retained Earnings April 1, 2003		<u>37,567</u>	
RETAINED EARNINGS MARCH 31, 2004		<u>\$39,202</u>	

The accompanying notes are an integral part of the financial statements.

TOWNSHIP OF PERRY DEVELOPMENT AUTHORITY

The Township of Perry Development Authority is organized under the State of Michigan P.A. 197 of 1975 and is used to account for monies raised under this act for creation and implementation of development plans for the Township of Perry.

TOWNSHIP OF PERRY  
DEVELOPMENT AUTHORITY  
BALANCE SHEET  
MARCH 31, 2004

ASSETS:

Cash in Bank	\$47,033
Due from Primary Gov't	<u>15,654</u>
TOTAL ASSETS	<u>\$62,687</u>

Liabilities	\$ -0-
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FUND BALANCE	<u>62,687</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$62,687</u>

The accompanying notes are an integral  
part of the financial statements.

TOWNSHIP OF PERRY  
DEVELOPMENT AUTHORITY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
YEAR ENDED MARCH 31, 2004

2004

	<u>BUDGET</u>	<u>ACTUAL</u>	ACTUAL (OVER) UNDER <u>BUDGET</u>
REVENUES:			
Current Property Taxes	\$ 20,000	\$ 15,653	\$ 4,347
Interest Income	<u>650</u>	<u>247</u>	<u>403</u>
TOTAL REVENUES	\$ 20,650	\$ 15,900	\$ 4,750
EXPENDITURES:			
Contracted Services	\$ 20,000	\$ 32,133	\$ (12,133)
Other	53,840	3,059	50,781
Professional Fees	5,000	862	4,138
Capital Outlay	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL EXPENDITURES	\$ <u>78,840</u>	\$ <u>36,054</u>	\$ <u>42,786</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (58,190)	\$ (20,154)	\$ (38,036)
OTHER SOURCES (USES) OF FUNDS:			
Transfers In	\$ -0-	\$ 5,138	\$ (5,138)
Transfers Out	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>
TOTAL OTHER SOURCES (USES) OF FUNDS	\$ -0-	\$ -0-	\$ -0-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES OF FUNDS	\$ ( <u>58,190</u> )	\$ (15,016)	\$ ( <u>43,174</u> )
Fund Balance April 1, 2003		<u>77,703</u>	
FUND BALANCE March 31, 2004		\$ <u>62,687</u>	

The accompanying notes are an integral  
part of the financial statements.



# DEMIS and WENZLICK, P.C.

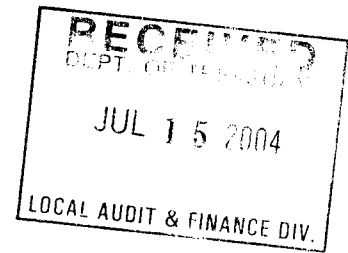
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Greg Irish  
Janis K. Mead  
Tammy Pappas  
Peggy Ryan  
Joyce M. Simmons  
Gail Winnick, C.P.A.



Members of the Township Board  
Township of Perry  
Shiawassee County, Michigan

In compliance with the provisions of Section 11, Paragraph 2, of Act 2, Public Acts of 1968, we wish to render our report of comments and recommendations which were formulated as a result of the examination our firm performed on the financial statements of the Township of Perry for the year ended March 31, 2004.

As a result of our examination of the Township's financial statements, we make the following comment:

## BUDGET

The State Revenue Sharing Distribution; Law, P.A. 176, of 1980, includes a compliance requirement in budgeting. It is required under this act that expenditures do not exceed the budget. Expenditures include accounts payable at March 31.

## GASB 34

The Government Accounting Standard Board issued Statement #34. This statement significantly changes governmental financial reporting. It requires reporting of infrastructure, including related depreciation and it requires management discussion and analysis of the government's financial condition. The effective date of this statement is March 31, 2004 for the Township of Perry.

The State of Michigan has indicated it will not enforce compliance with GASB 34. We will, at a later time, itemize both the advantages and disadvantages of to the Township of Perry's compliance with this statement.

We wish to thank the board for the excellent cooperation we received in performing the township audit. If we can be of any further assistance to the township, in these matters or any future matters, please do not hesitate to contact us.

*Dennis and Wenglich, P.C.*

Certified Public Accountants

Owosso, Michigan

May 18, 2004